Revival of sick units

884. SHRI HARVENDRA SINGH HANSPAL: Will the Minister of FINANCE be pleased to state:

(a) whether the public sector banks and financial institutions in the country are not sharing their responsibility for the revival of the sick units in the country;

(b) whether the Reserve Bank of India has also expressed that the burden imposed on banks for the revival of the sick units should be shared by the financial institutions also; and

(c) if so, what is Government's reaction thereto and what further steps are proposed to be taken to put responsibility on banks as well as financial institutions to revive the sick units?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) Public Sector banks and financial institutions are already assisting in the revival of sick, but potentially viable industrial units, keeping in view the guidelines laid by the Reserve Bank of India from time to time. They also share responsibilities as appropriate, in terms of the provisions of the Sick Industrial Companies (Speical Provisions) Act, 1985

Drug smuggling

885. SHRI HARVENDRA SINGH HANSPAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a news-item captioned "Novel ways of drug smuggling unearthed" as reported in the Hindustan Times of the 18th October, 1988;

(b) whether the Enforcement agencies have found heroin hidden inside some equipments; and

(c) what further steps Government propose to take to unearth gangs of drug smugglers in the country?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) to (c) Yes, Sir. In the recent seizures of drugs at Bombay, novel methods of concealing the heroin and smuggling through a sealed tin of pine-apple slices, car fuel filters, an artificial leg, inside a T.V. picture tube, etc. by drug traffickers has come to the notice of the enforcement authorities.

Government have launched various aggressive countermeasures which, *inter alia*, include provision of deterrent punishments against drug-related crimes, strengthening of preventive and intelligence machinery (especially around borders and vulnerable areas), adoption of a liberalised reward scheme for officers and informers. The Prevention of Illicit Traffic in Narcotic Drugs and Psychoropic substances Act, 1988 provides for preventive detention upto a maximum of 2 years for drug-related crimes. A number of operations are also conducted against drug traffickers in the country by targeting intelligence on them by the enforcement agencies. All these are intended to immobilise drug traffickers effectively. The matter is also kept under constant watch for appropriate follow-up action.

Amendment of FERA

386. SHRI D. B. CHANDRE GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether in view of several loopholes in the provisions of FERA, Government have felt it necessary to amend the Act; and

(b) if so, what modifications Government propose in the Act?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) Government of India have received suggestions for amending the Foreign Exchange Regulation Act, 1973 and these are being examined.

Violation of FERA by Jyotsna Holding

387. SHRI D. B. CHANDRE GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether the Enforcement Directorate has established FERA violations against Jyotsna Holding in getting commission towards consultation charges from Sumitomo Corporation of Japan;

(b) if so, what are the details thereof; and

(c) what action has been taken by Government against Jyotsna Holding Company?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) Based on their investigations, Directorate of Enforcement have initiated adjudication proceedings against M/s. Jyotsna Holding (P) Ltd., for alleged violation of the provisions of Sections 8(1), 14 and 47 of the Foreign Exchange Regulation Act, 1973.

Housing Schemes of UTI

388. SHRI D. B. CHANDRE GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have recently approved a newly formulated housing scheme of the Unit Trust of India (UTI) known as Housing and Construction Unit Scheme;

(b) if so, what are the salient features of the said scheme of the UTI;

(c) whether the investors in the UTI will get housing facility under this scheme; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d) Government have recently conveyed approval to the Unit Trust of India (UTI) for the launching of the Housing and Construction Development Fund. The salient features of the Fund are given below:

(i) The Fund proposes to initially raise Rs. 50 crores. If the response is encouraging the size of the Fund might be increased to Rs. 100 crores.

(ii) Only individuals, registered cooperative societies and non-resident Indians will be eligible to participate in the Fund. The minimum subscription to the Fund will be Rs. 1000/.

(iii) The Investment objective of the Fund will be to provide attractive return to the Unit holders through capital appreciation and dividend by investing in land and construction activities.

(iv) The Fund will be managed by the UTI with the Housing Development Finance Corporation Ltd. acting as Advisors.